



**STATEMENT OF OPERATIONS****(General Business Case)**For the Month Ended 06/30/12

<b>Current Month</b>				<b>Cumulative (Case to Date)</b>	<b>Next Month Forecast</b>
<b>Actual</b>	<b>Forecast</b>	<b>Variance</b>			
		\$0	<b>Revenues:</b>		
		\$0	1 Gross Sales	\$21,102,796	
\$0	\$0	\$0	2 less: Sales Returns & Allowances		
\$0	\$0	\$0	3 Net Sales	\$21,102,796	\$0
\$0	\$0	\$0	4 less: Cost of Goods Sold (Schedule 'B')		
		\$0	5 Gross Profit	\$21,102,796	\$0
		\$0	6 Interest	\$369,663	
		\$0	7 Other Income:	\$8,044	
		\$0	8 Intercompany allocations	\$334,467	
		\$0	9 Gain on Sale of Assets	\$1,609,428	
\$0	\$0	\$0	10 <b>Total Revenues</b>	\$23,424,398	\$0
		\$0	<b>Expenses:</b>		
		\$0	11 Compensation to Owner(s)/Officer(s)		
		\$0	12 Salaries	\$1,774,342	
		\$0	13 Commissions	\$140,833	
		\$0	14 Contract Labor		
		\$0	Rent/Lease:		
		\$0	15 Personal Property	\$8,861	
		\$0	16 Real Property	\$543,557	
		\$0	17 Insurance	\$71,737	
		\$0	18 Management Fees		
		\$0	19 Depreciation	\$176,590	
		\$0	Taxes:		
		\$0	20 Employer Payroll Taxes	\$98,105	
		\$0	21 Real Property Taxes		
		\$0	22 Other Taxes	\$59,452	
		\$0	23 Other Selling	\$51,187	
\$1,542		(\$1,542)	24 Other Administrative	\$1,132,605	
		\$0	25 Interest	\$4,556	
		\$0	26 Other Expenses:		
		\$0	27 Loss on Transfer to Trustee	\$37,804,902	
		\$0	28		
		\$0	29		
		\$0	30		
		\$0	31		
		\$0	32		
		\$0	33		
		\$0	34		
\$1,542	\$0	(\$1,542)	35 <b>Total Expenses</b>	\$41,866,727	\$0
(\$1,542)	\$0	(\$1,542)	36 <b>Subtotal</b>	(\$18,442,329)	\$0
		\$0	<b>Reorganization Items:</b>		
		\$0	37 Professional Fees	(\$20,397,676)	
		\$0	38 Provisions for Rejected Executory Contracts		
		\$0	39 Interest Earned on Accumulated Cash from Resulting Chp 11 Case		
		\$0	40 Gain or (Loss) from Sale of Equipment		
(\$325)		\$325	41 U.S. Trustee Quarterly Fees	(\$82,019)	
		\$0	42		
(\$325)	\$0	\$325	43 <b>Total Reorganization Items</b>	(\$20,479,695)	\$0
(\$1,867)	\$0		44 <b>Net Profit (Loss) Before Federal &amp; State Taxes</b>	(\$38,922,024)	\$0
		\$0	45 Federal & State Income Taxes		
(\$1,867)	\$0	\$0	46 <b>Net Profit (Loss)</b>	(\$38,922,024)	\$0

Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

**BALANCE SHEET**  
**(General Business Case)**  
For the Month Ended 06/30/12

**Assets**

		<u>From Schedules</u>	<u>Market Value<sup>1</sup></u>
<b>Current Assets</b>			
1	Cash and cash equivalents - unrestricted		\$86,509
2	Cash and cash equivalents - restricted		
3	Accounts receivable (net)	A	
4	Inventory	B	
5	Prepaid expenses		
6	Professional retainers		
7	Other: _____		
8	_____		
9	<b>Total Current Assets</b>		<u>\$86,509</u>
<b>Property and Equipment (Market Value)</b>			
10	Real property	C	
11	Machinery and equipment	D	
12	Furniture and fixtures	D	
13	Office equipment	D	
14	Leasehold improvements	D	
15	Vehicles	D	
16	Other: _____	D	
17	_____	D	
18	_____	D	
19	_____	D	
20	_____	D	
21	<b>Total Property and Equipment</b>		<u>\$0</u>
<b>Other Assets</b>			
22	Loans to shareholders		
23	Loans to affiliates		
24	_____		
25	_____		
26	_____		
27	_____		
28	<b>Total Other Assets</b>		<u>\$0</u>
29	<b>Total Assets</b>		<u><u>\$86,509</u></u>

**NOTE:**

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

1 - The method used to estimate the market value of assets was net book value at the end of the current reporting period as market value has not been determined.

**Liabilities and Equity**  
(General Business Case)

**Liabilities From Schedules**

**Post-Petition**

**Current Liabilities**

30	Salaries and wages		
31	Payroll taxes		
32	Real and personal property taxes		
33	Income taxes		
34	Sales taxes		
35	Notes payable (short term)		
36	Accounts payable (trade)	A	\$640
37	Real property lease arrearage		
38	Personal property lease arrearage		
39	Accrued professional fees		
40	Current portion of long-term post-petition debt (due within 12 months)		
41	Other:		
42			
43			
44	<b>Total Current Liabilities</b>		<b>\$640</b>

**Long-Term Post-Petition Debt, Net of Current Portion**

46	<b>Total Post-Petition Liabilities</b>		<b>\$640</b>
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**Pre-Petition Liabilities (allowed amount)<sup>1</sup>**

47	Secured claims <sup>1</sup>	F	
48	Priority unsecured claims <sup>1</sup>	F	
49	General unsecured claims <sup>1</sup>	F	
50	<b>Total Pre-Petition Liabilities</b>		<b>\$0</b>
51	<b>Total Liabilities</b>		<b>\$640</b>

**Equity (Deficit)**

52	Retained Earnings/(Deficit) at time of filing		\$38,932,893
53	Capital Stock		\$75,000
54	Additional paid-in capital		
55	Cumulative profit/(loss) since filing of case		(\$38,922,024)
56	Post-petition contributions/(distributions) or (draws)		
57			
58	Market value adjustment		
59	<b>Total Equity (Deficit)</b>		<b>\$85,869</b>
60	<b>Total Liabilities and Equity (Deficit)</b>		<b>\$86,509</b>

**NOTE:**

1 - Allowed Amounts have not yet been determined and are contingent upon approval from the Bankruptcy Court. The pre-petition liabilities' amounts above reflect the claimed amounts filed on Schedules.

**SCHEDULES TO THE BALANCE SHEET**  
(General Business Case)

**Schedule A**

**Accounts Receivable and (Net) Payable**

<b>Receivables and Payables Agings</b>	<b>Accounts Receivable [Pre and Post Petition]</b>	<b>Accounts Payable [Post Petition]</b>	<b>Past Due Post Petition Debt</b>
0 -30 Days		\$640	
31-60 Days		\$0	
61-90 Days		\$0	
91+ Days		\$0	\$0
Total accounts receivable/payable	\$0	\$640	
Allowance for doubtful accounts			
Accounts receivable (net)	\$0		

**Schedule B**

**Inventory/Cost of Goods Sold**

<b>Types and Amount of Inventory(ies)</b>	<b>Inventory(ies) Balance at End of Month</b>	<b>Cost of Goods Sold</b>	
		<b>Inventory Beginning of Month</b>	
		Add -	
Retail/Restaurants -		Net purchase	
Product for resale		Direct labor	
		Manufacturing overhead	
Distribution -		Freight in	
Products for resale		Other:	
Manufacturer -			
Raw Materials			
Work-in-progress		Less -	
Finished goods		Inventory End of Month	
		Shrinkage	
Other - Explain		Personal Use	
		Cost of Goods Sold	\$0
<b>TOTAL</b>	<b>\$0</b>		

**Method of Inventory Control**

Do you have a functioning perpetual inventory system?

Yes \_\_\_\_\_ No \_\_\_\_\_

How often do you take a complete physical inventory?

Weekly \_\_\_\_\_  
 Monthly \_\_\_\_\_  
 Quarterly \_\_\_\_\_  
 Semi-annually \_\_\_\_\_  
 Annually \_\_\_\_\_

Date of last physical inventory was \_\_\_\_\_

Date of next physical inventory is \_\_\_\_\_

**Inventory Valuation Methods**

Indicate by a checkmark method of inventory used.

Valuation methods -

FIFO cost \_\_\_\_\_  
 LIFO cost \_\_\_\_\_  
 Lower of cost or market \_\_\_\_\_  
 Retail method \_\_\_\_\_  
 Other \_\_\_\_\_  
 Explain \_\_\_\_\_

**Schedule C  
Real Property**

Description	<u>Cost</u>	<u>Market Value</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total	\$0	\$0

**Schedule D  
Other Depreciable Assets**

Description	<u>Cost</u>	<u>Market Value</u>
Machinery & Equipment -		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total	\$0	\$0

Furniture & Fixtures -		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total	\$0	\$0

Office Equipment -		
_____	_____	_____
_____	_____	_____
Total	\$0	\$0

Leasehold Improvements -		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total	\$0	\$0

Vehicles -		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total	\$0	\$0

**Schedule E**  
**Aging of Post-Petition Taxes**  
**(As of End of the Current Reporting Period)**

<b>Taxes Payable</b>	<b><u>0-30 Days</u></b>	<b><u>31-60 Days</u></b>	<b><u>61-90 Days</u></b>	<b><u>91+ Days</u></b>	<b><u>Total</u></b>
<b>Federal</b>					
Income Tax Withholding					\$0
FICA - Employee					\$0
FICA - Employer					\$0
Unemployment (FUTA)					\$0
Income					\$0
Other (Attach List)					\$0
<b>Total Federal Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>State and Local</b>					
Income Tax Withholding					\$0
Unemployment (UT)					\$0
Disability Insurance (DI)					\$0
Empl. Training Tax (ETT)					\$0
Sales					\$0
Excise					\$0
Real property					\$0
Personal property					\$0
Income					\$0
Other (Attach List)					\$0
<b>Total State &amp; Local Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Schedule F**  
**Pre-Petition Liabilities**

<b><u>List Total Claims For Each Classification -</u></b>	<b><u>Claimed<sup>1</sup></u></b> <b><u>Amount</u></b>	<b><u>Allowed<sup>2</sup></u></b> <b><u>Amount (b)</u></b>
Secured claims (a)		
Priority claims other than taxes		
Priority tax claims		
General unsecured claims		

- (a) List total amount of claims even if under secured.
- (b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

**Schedule G**  
**Rental Income Information**  
**Not applicable to General Business Cases**

**Schedule H**  
**Recapitulation of Funds Held at End of Month**

	<b><u>Account 1</u></b>	<b><u>Account 2</u></b>	<b><u>Account 3</u></b>	<b><u>Account 4</u></b>	<b><u>Account 5</u></b>
Bank	Bank of America				
Account Type	Analyzed Checking				
Account No.	2383				
Account Purpose	General				
Balance, End of Month	\$86,509				
Total Funds on Hand for all Accounts	\$86,509				

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

**NOTES:**

- 1 - Claimed Amounts reflects amounts filed on schedules and is subject to change as proof of claims are filed and further pre-petition invoices are identified.
- 2 - Allowed Amounts have not yet been determined and are contingent upon approval from the Bankruptcy Court.

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 06/30/12

		Actual Current Month	Cumulative (Case to Date)
<b>Cash Receipts</b>			
1	Rent/Leases Collected		
2	Cash Received from Sales		\$7,861,555
3	Interest Received		\$559,259
4	Borrowings		
5	Funds from Shareholders, Partners, or Other Insiders		\$5,000
6	Capital Contributions		
7	Management Fees from USA Capital Realty Advisors, LLC		\$1,564,093
8	Tax, Security Deposit, and Other Refunds		\$8,929
9	Principal Received on Notes Receivable		\$82,832
10	Escrow Deposit/Sale Proceeds/Effective Date Transfer		\$30,494,389
11			\$0
12	<b>Total Cash Receipts</b>	<b>\$0</b>	<b>\$40,576,057</b>
<b>Cash Disbursements</b>			
13	Payments for Inventory		
14	Selling		\$2,619
15	Administrative	\$5,697	\$1,091,886
16	Capital Expenditures		
17	Principal Payments on Debt		\$150,645
18	Interest Paid		\$4,888
	Rent/Lease:		
19	Personal Property		\$9,963
20	Real Property		\$569,426
	Amount Paid to Owner(s)/Officer(s)		
21	Salaries		
22	Draws		
23	Commissions/Royalties		
24	Expense Reimbursements		
25	Other		
26	Salaries/Commissions (less employee withholding)		\$1,740,393
27	Management Fees		
	Taxes:		
28	Employee Withholding		\$213,091
29	Employer Payroll Taxes		\$94,063
30	Real Property Taxes		
31	Other Taxes		\$78,889
32	Other Cash Outflows:		
33	Professional Fees Paid in Connection with Chapter 11 Case	\$256	\$19,787,742
34	U.S. Trustee Quarterly Fees		\$81,442
35	Escrow Deposit/Interpleader Settlement/Transfer to Trustee		\$10,209,591
36	DTDF & PBGC Settlement		\$7,031,142
37			
38	<b>Total Cash Disbursements:</b>	<b>\$5,953</b>	<b>\$41,065,780</b>
39	<b>Net Increase (Decrease) in Cash</b>	<b>(\$5,953)</b>	<b>(\$489,723)</b>
40	<b>Cash Balance, Beginning of Period</b>	<b>\$92,462</b>	<b>\$576,231</b>
41	<b>Cash Balance, End of Period</b>	<b>\$86,509</b>	<b>\$86,509</b>



**STATEMENT OF CASH FLOWS**  
**(Optional) Increase/(Decrease) in Cash and Cash Equivalents**  
**For the Month Ended 06/30/12**

	<b>Actual</b>	<b>Cumulative</b>
<b>Cash Flows From Operating Activities</b>	<b><u>Current Month</u></b>	<b><u>(Case to Date)</u></b>
1 Cash Received from Sales		\$7,861,555
2 Rent/Leases Collected		
3 Interest Received		\$559,259
4 Cash Paid to Suppliers		
5 Cash Paid for Selling Expenses		\$2,619
6 Cash Paid for Administrative Expenses	\$5,697	\$1,091,886
Cash Paid for Rents/Leases:		
7     Personal Property		\$9,963
8     Real Property		\$569,426
9 Cash Paid for Interest		\$4,888
10 Cash Paid for Net Payroll and Benefits		\$1,740,393
Cash Paid to Owner(s)/Officer(s)		
11     Salaries		
12     Draws		
13     Commissions/Royalties		
14     Expense Reimbursements		
15     Other		
Cash Paid for Taxes Paid/Deposited to Tax Acct.		
16     Employer Payroll Tax		\$94,063
17     Employee Withholdings		\$213,091
18     Real Property Taxes		
19     Other Taxes		\$78,889
20 Cash Paid for General Expenses		
21 Management Fees from USA Capital Realty Advisors, LLC		(\$1,564,093)
22 Tax, Security Deposit, and Other Refunds		(\$8,929)
23 Principal Received on Notes Receivable		(\$82,832)
24		\$0
25		
26		
27 <b>Net Cash Provided (Used) by Operating Activities before Reorganization Items</b>	(\$5,697)	\$6,271,450
<b>Cash Flows From Reorganization Items</b>		
28 Interest Received on Cash Accumulated Due to Chp 11 Case		
29 Professional Fees Paid for Services in Connection with Chp 11 Case	\$256	\$19,787,742
30 U.S. Trustee Quarterly Fees		\$81,442
31 Escrow Deposit & Settlement/Sale Proceeds/Effective Date Transfer/Settlements		(\$13,253,656)
32 <b>Net Cash Provided (Used) by Reorganization Items</b>	(\$256)	(\$6,615,528)
33 <b>Net Cash Provided (Used) for Operating Activities and Reorganization Items</b>	(\$5,953)	(\$344,078)
<b>Cash Flows From Investing Activities</b>		
34 Capital Expenditures		
35 Proceeds from Sales of Capital Goods due to Chp 11 Case		
36		
37 <b>Net Cash Provided (Used) by Investing Activities</b>	\$0	\$0
<b>Cash Flows From Financing Activities</b>		
38 Net Borrowings (Except Insiders)		
39 Net Borrowings from Shareholders, Partners, or Other Insiders		\$5,000
40 Capital Contributions		
41 Principal Payments		\$150,645
42		
43 <b>Net Cash Provided (Used) by Financing Activities</b>	\$0	(\$145,645)
44 <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(\$5,953)	(\$489,723)
45 <b>Cash and Cash Equivalents at Beginning of Month</b>	\$92,462	\$576,231
46 <b>Cash and Cash Equivalents at End of Month</b>	\$86,509	\$86,509

**USA Commercial Mortgage Company**  
**Question 9 - Payments to Professionals**  
**June 1, 2012 - June 30, 2012**

	<b>Total Paid During Month</b>
Schwartz & McPherson	\$ 255.90
<b>Total Fees &amp; Expenses</b>	<b><u>\$ 255.90</u></b>